

**GOVERNOR'S COMMISSION
ON
MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

**DECEMBER 12, 2005
MINUTES**

The Governor's Commission on Minority and Women's Business Enterprises met on December 12, 2005 at 1:00pm, in the Indiana Government Center South, Conference Center Room A, in Indianapolis, IN.

ROLL CALL

Commission members present:

Angela Faulkner, Target Strategies
Charles Garcia, G. M. Construction Company
Gary Gibson, Gibson & Associates, LLC
Earl A. Goode, Commissioner, Indiana Department of Administration
William Harmon, Harmon Construction
Tony Kirkland, Executive Assistant Governor Mitchell E. Daniels
Rae Pearson, Alpha Rae Personnel
Pam Fisher, Pat Miller's Designee, Secretary of Commerce

Commission members absent:

Ron Alting, Indiana State Senator
Billie Breaux, Indiana State Senator
Cleo Duncan, Indiana State Representative
Nell Hill, Caesars Indiana
Gregory Porter, Indiana State Representative
Thomas Sharp, INDOT
Sylvia Trotter, Trotter Construction Company
Priya Wharton, Tri-Star Engineering

CALL TO ORDER

The meeting was called to order by Chairman Tony Kirkland. There are not enough committee members present to establish a quorum.

CHAIRMAN KIRKLAND WELCOME

After welcoming the commission members and the attendees, Chairman Kirkland stated that we have had a successful year. He referenced the list of minority and women business enterprises that are being used on the Colts Stadium project. This list was passed out to all commission members prior to the meeting.

Chairman Kirkland met with Ronald Langston, President Bush's appointee as the National Director of the Minority Business Development Agency. Mr. Langston is planning a trip to Indianapolis, possibly a commission meeting, to discuss opportunities for minority and women business enterprise (M/WBE) participation in federal contracts as well as possible federal funding for Indiana minority and women business enterprises.

Chairman Kirkland also met with the Ambassador to Ghana who is interested in bringing M/WBE business to Africa. He is interested in attending a commission meeting to see what the market might be for Indiana minority and women business enterprises.

Chairman Kirkland stated that he is excited at the opportunities that appear to be available and highlighted a couple local opportunities for M/WBE participation. He highlighted the French Lick Casino project and the Northwest Indiana Regional Development project.

DEPUTY COMMISSIONER'S REPORT

Claudia Cummings, Deputy Commissioner for Minority and Women Business Enterprises Division, gave the Deputy Commissioner's Report which was handed out to all commission members prior to the start of the meeting.

- Commissioner Goode added that IDOA is going to try and consolidate many of the different vendor requirements. This is in an effort to make the contracting processes easier and have a "one-stop shop" for all state certifications.
- Commissioner Gibson had a question regarding the transfer of DBE certification from the Indiana Department of Administration (IDOA) to the Indiana Department of Transportation (INDOT). He wanted to know whether there were any issues with DBE awareness of this transfer, and if there was any change in the amount of time that it takes to become certified.
 - Deputy Commissioner Cummings answered that the M/WBED is facilitating questions regarding DBE's and sending all DBE applications that are sent to IDOA to INDOT. She did not know if there was any change in the time it took to certify DBE's.
 - Commissioner Gibson requested that INDOT attend future commission meetings to answer questions regarding DBEs. Commissioner Goode mentioned that their presence would be requested.

REPORT TO THE GOVERNOR AND LEGISLATIVE COUNCIL FOR MARCH 1, 2005 TO OCTOBER 1, 2005

On March 1 and October 1 of every year, the Commission must prepare a report for the Governor and Legislative Council that summarizes of the work that the division has done over the past year. A copy of this report was handed out to all members of the commission before the meeting and covers March 1, 2005 and October 1, 2005.

- The first ten pages of the report is information that comes directly from previous commission meeting minutes and deputy commissioner's reports. Following the first ten pages is a number of addendums which include state university spending reports, customer survey response results, and M/WBE activity reports.
- Commissioner Pearson added that she is impressed with the report and feels very secure in regards to the integrity of what the Commission is about.

OLD BUSINESS

The Commission and the audience heard from Bucher and Christian updating their progress on the disparity study they are conducting for the M/WBED.

- Deputy Commissioner Cummings stated that the projected completion date will be March 2006 and will be presented at the next commission meeting. It might be necessary to push back the date of the March commission meeting in order to accommodate the presentation, in which case all commission members will be notified.

NEW BUSINESS

The Indiana Department of Administration rolled out a new policy of M/WBE utilization in state construction projects. Deputy Commissioner Cummings went over the policy which was handed out to all commission members before the meeting.

- Chairman Kirkland added that this new policy will help give all M/WBEs around the state an equal chance to participate in construction projects. It seems that in the past many subcontracting opportunities were going to the certified firms in Indianapolis and Central Indiana.
- Commissioner Faulkner wanted to know why construction was the only area being focused on. Deputy Commissioner Cummings stated that professional services and supplies contracts have already had procedures implemented. Professional services contracts are generally scored on a 100 point scale. M/WBE participation counts for 20 points of the scale. Commodities are purchased under state law from the lowest bidder, and IDOA works to ensure the MWBE firms are bidding on these opportunities.
- Commissioner Harmon asked if pricing was considered an issue for not using M/WBE construction firms because many prime contractors find it cheaper to do most of the work themselves as opposed to subcontracting it out. Deputy Commissioner Cummings answered that pricing is considered in the new plan, however price itself is not a sufficient reason for not meeting the participation goals.
- Commissioner Gibson requested clarification on the participation requirements for M/WBE firms that are awarded a prime contract. Deputy Commissioner Cummings stated that this policy outlines subcontracting goals for all prime contractors. If a certified M/WBE is awarded a prime contract, they are required to meet the exact same subcontracting goals as every other prime contractor. She added that the prime contractor's own workforce does not count towards meeting the participation goals.
- Commissioner Goode stated that the new construction policy is a way to help increase the amount of M/WBE subcontractors in construction projects, however it is subject to change because they realize this is just a start.
- Commissioner Garcia asked if there was any consideration taken towards M/WBE prime contractors during the bidding process. Deputy Commissioner Cummings answered that all prime contractors are treated the same and added that this is also true when awarding professional services and supplies contracts. Federal case law requires that the program be handled in this manner.
- Commissioner Faulkner requested clarification on what constituted "reasonable price," to which Deputy Commissioner Cummings replied that this is determined by the reviewer of the contracts.
 - Commissioner Goode added there is a guideline in place for Indiana companies that submit bids.
- Commissioner Harmon added that he has seen many certified M/WBE firms be refused subcontracting opportunities because of pricing, and requested that those who review the process pay attention to this.

The Commission and the audience had the opportunity to hear Sam Cornelius, former Minority Business Advisor to President Reagan and consultant on minority business, speak on his experiences. Mr. Cornelius stated that minority business is big business. He commented that small businesses should be granted the same access to funding as large corporations. This is why he is working in Washington D.C. to create a loan guarantee program to help get startup capital for small businesses.

- Chairman Kirkland added that Sam Cornelius is a pioneer for minority business and paved the way for our department.

The Commission then took public comments from the audience.

ADJOURNMENT

Meeting adjourned at approximately 3:00pm.

Respectfully submitted,

Jason Shaw
Commission Secretary